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DISTRICT OF UTAH  
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IN THE UNITED STATES DISTRICT COURT  
FOR THE DISTRICT OF UTAH, CENTRAL DIVISION

CHURCH OF SCIENTOLOGY  
INTERNATIONAL, a California non-  
profit religious corporation,

Plaintiff,

vs.

ARTHUR INTERNATIONAL INC., a  
dissolved Utah corporation, DAVID  
HIGHAM, SILVIA M. CARVALHO,  
KENNETH HALL, THOMAS  
ALHMANN, and DOES 1 THROUGH 10,

Defendants.

**MEMORANDUM OF  
POINTS AND AUTHORITIES  
IN SUPPORT OF  
MOTION TO AMEND COMPLAINT**

Case No.: 2:01-cv-213S

Judge David Sam

Pursuant to Rule 15(a) of the *Federal Rules of Civil Procedure*, Plaintiff Church of Scientology International ("CSI") submits this memorandum in support of its motion to amend the initial Complaint to add Robin Hansen, Arthur UK Limited, and Arthur UK Limited as Defendants. A copy of the Proposed Amended Complaint is attached as Exhibit A.

14.

### **BACKGROUND**

1. On or about March 27, 2001, CSI filed this action against Defendant Arthur International Inc. for breach of an \$850,000 contract to provide translation services.

2. The Complaint also names as Defendants Kenneth Hall and Thomas Ahlmann, who were owners, directors, or officers of Arthur International.

3. After filing the Complaint, CSI discovered that Robin Hansen was also an officer of Arthur International and participated in the wrongful acts perpetrated against CSI. Therefore, CSI wishes to add Robin Hansen as a Defendant.

4. After filing the Complaint, CSI discovered that Thomas Ahlmann also ran translation companies in the United Kingdom named "Arthur U.K. Ltd." and "Arthur UK Limited." CSI believes these United Kingdom companies to be alter egos of the individual Defendants. CSI also believes that Hall and Ahlmann transferred assets from Arthur International to the United Kingdom companies. Accordingly, CSI desires to add the United Kingdom Companies as Defendants.

### **ARGUMENT**

Rule 15(a), *Fed. R. Civ. P.*, provides that leave to amend a pleading "shall be freely given when justice so requires." The grant or denial of leave to amend a complaint is committed to the district court's discretion, but it is an abuse of that discretion to deny leave to amend unless there is sufficient reason, such as undue delay, bad faith, dilatory motive, or undue prejudice to the opposing party. *E.g., First City Bank v. Air Capitol Aircraft Sales*, 820 F.2d 1127 (10<sup>th</sup> Cir. 1987).

This Court should grant CSI's motion to add Hansen, Arthur UK Limited, Arthur U.K. Ltd. as Defendants because the case is only about 4 months old; the motion is made in good faith and not to delay the litigation; and the opposing parties will not be unduly prejudiced by the amendment. To date, only one Defendant, David Higham, has filed an answer and has testified at his deposition. The amendment does not raise any new claims against Mr. Higham or any of the other Defendants, and therefore they cannot be prejudiced by the amendment. Accordingly, under the liberal standard set forth in Rule 15(a), *Fed. R. Civ. P.*, CSI should be granted leave to amend its Complaint.

**CONCLUSION**

Because no reason exists to deny the motion to amend, this Court should grant the motion.

DATED this 12 day of July, 2001

SUITTER AXLAND

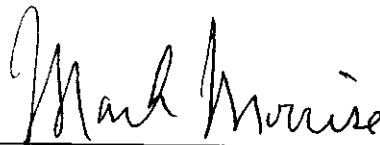
By: Mark Morrise  
Michael W. Homer  
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*Attorneys for Plaintiff*

**CERTIFICATE OF SERVICE**

I HEREBY CERTIFY that a true and correct copy of the foregoing **MEMORANDUM OF POINTS AND AUTHORITIES IN SUPPORT OF MOTION TO AMEND COMPLAINT** was mailed, first class United States mail, postage prepaid, on this 12 day of July, 2001, to the following:

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Please see the  
case file.